

COUNTY COUNCIL

OF

HARFORD COUNTY, MARYLAND

BILL NO. 85-24

Introduced by: Council President Hardwicke and Council Member
Hutchins at the request of the County Executive.

Legislative Day No. 85-13

Date: May 14, 1985

AN EMERGENCY ORDINANCE to authorize and empower Harford County, Maryland to adopt and to authorize the appropriate officers of Harford County, Maryland to execute the Farmers Home Administration, United States Department of Agriculture, Loan Resolution (Form FmHA 442-47) which sets forth various conditions and restrictions in connection with the issuance and purchase of the general obligation bond of Harford County, Maryland hereinafter provided for; to authorize and empower Harford County, Maryland to issue and sell its single, fully registered, general obligation bond in the principal amount of ONE HUNDRED EIGHTY THOUSAND DOLLARS (\$180,000) pursuant to the provisions of Section 5 of Article 25A of the Annotated Code of Maryland (1981 Replacement Volume, 1984 Cumulative Supplement), such bond to be designated "Harford County, Maryland General Obligation Bond (Willoughby Beach Water Supply Project) 1985 Series A"; providing for such bond to be issued and sold privately to the United States of America, acting through the Farmers Home Administration United States Department of Agriculture; providing for the proceeds of such sale to be disbursed for the purpose of financing the public improvements described in this Resolution; providing for the levy and collection of an annual assessment to be imposed on the customers of the public improvements described herein in amounts sufficient to provide for the payment of principal and interest on such bond and to redeem such bond upon maturity; and providing generally for the content, form, issuance, sale, delivery and all other matters relating to such bond.

By the Council May 14, 1985

Introduced, read first time, ordered posted and public
hearing scheduled on: June 11, 1985
at: 7:15 P.M.

By Order: Angela Markowski, Secretary

PUBLIC HEARING

Having been posted and Notice and time and place of hearing
and Title of Bill having been published according to the Charter,
a public hearing was held on June 11, 1985
and concluded on June 11, 1985

Angela Markowski, Secretary

RECITALS

The County Council has determined in order to better serve the interests of the citizens of Willoughby Beach, Harford County, it is necessary to provide for the construction of a water supply project which conforms with and is included in Harford County's comprehensive water and sewerage plan pursuant to Section 9-511 of the Health-Environmental Article (1982 Volume, 1984 Cumulative Supplement) of the Annotated Code of Maryland, as amended.

Harford County (the "County") has executed a Financial Agreement as of December 12, 1984 for a Water Supply Grant with the State of Maryland acting through the Department of Health and Hygiene which provides, in part, for a grant to the County of an amount not to exceed Four Hundred Eighty-Two Thousand DOLLARS (\$482,000) to aid in the construction of the above-referenced water supply project. Pursuant to the terms and conditions of the above-referenced Financial Agreement for a Water Supply Grant, the County must commence construction within six (6) months from December 12, 1984 or such Agreement may be voided by the State of Maryland, and if voided, the County would be required to repay all funds provided by the State of Maryland pursuant to such Agreement together with interest at a rate of ten percent (10%) compounded annually from the date the funds were provided.

Administrative delays resulting in a delay in the commencement of the construction of the water supply project financed, in part, by the above-referenced water supply grant would cause a financial hardship on the County and a potential adverse impact on the health, safety and welfare of the citizens of Willoughby Beach, the County. It would be in the best interest of both the County and the citizens of Willoughby Beach to issue, sell and deliver, on the earliest possible date, its

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2 general obligation bond to provide, in part, the financing of the
3 above-referenced water supply project.

4 The County finds and determines that it is necessary and in
5 the best interest of both the County and the citizens of
6 Willoughby Beach to authorize the issuance, sale and delivery of
7 such general obligation bond through the enactment of this
8 Emergency Ordinance. The County has secured the maximum grant
9 funds available from the State of Maryland to pay a part of the
10 costs of such construction. The County has obtained a commitment
11 from the Farmers Home Administration of the United States Depart-
12 ment of Agriculture to purchase its general obligation bond in
13 the principal amount of ONE HUNDRED EIGHTY THOUSAND DOLLARS
14 (\$180,000) at par with interest at the rate of ten and one-half
15 per centum (10.5%) per annum, to finance in part the costs of
16 such construction. In connection with the issuance of a general
17 obligation bond and its purchase by the Farmers Home Adminis-
18 tration, United States Department of Agriculture (hereinafter
19 sometimes referred to as "FmHA"), the County must adopt and
20 execute the Farmers Home Administration, United States Department
21 of Agriculture, Loan Resolution (Form FmHA 422-47) which sets
22 forth various conditions and restrictions in connection with the
23 issuance and purchase of a general obligation bond of the County.

24 The County deems it to be in its best interest at this time
25 to authorize and provide for the issuance and sale of its general
26 obligation bond in the principal amount of ONE HUNDRED EIGHTY
27 THOUSAND DOLLARS (\$180,000) and otherwise to provide funds to pay
28 a part of the aforesaid costs of construction. The County deems
29 it to be in its best interest to issue its above referenced
30 general obligation bond not subject to the provisions of Article
31 31 of the Annotated Code of Maryland (1983 Replacement Volume,
32 1984 Supplement) Section 10 entitled "Method of advertising and
33 offering for sale" and Section 11 entitled "Method and time of
34 maturing bonds."
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2 NOW, THEREFORE, in accordance with the County Charter:

3 SECTION 1. BE IT ENACTED BY THE COUNTY COUNCIL OF HARFORD
4 COUNTY, MARYLAND, That, acting pursuant to the Harford County,
5 Maryland Charter, it is hereby found and determined that
6 administrative delays resulting in a delay in the commencement of
7 the construction of the water supply project financed, in part,
8 by a water supply grant from the State of Maryland would cause a
9 financial hardship on the County and a potential adverse impact
10 on the health, safety and welfare of the citizens of Willoughby
11 Beach. Consequently, a state of emergency exists in the County
12 and this Ordinance shall be enacted as an emergency measure of
13 the County.

14 SECTION 2. AND BE IT FURTHER ENACTED BY THE COUNTY COUNCIL
15 OF HARFORD COUNTY, MARYLAND, That, the appropriate officers of
16 the County are hereby directed and authorized to execute on
17 behalf of the County, the Farmers Home Administration, United
18 States Department of Agriculture, Loan Ordinance (Form FmHA
19 442-47) a copy of which is attached hereto and incorporated by
20 reference herein.

21 SECTION 3: AND BE IT FURTHER ENACTED BY THE COUNTY COUNCIL
22 OF HARFORD COUNTY, MARYLAND, That acting pursuant to the
23 authority of Section 5 of Article 25A of the Annotated Code of
24 Maryland (1981 Replacement Volume, 1984 Cumulative Supplement)
25 (hereinafter sometimes referred to as the "Act"), the County
26 hereby determines that the net proceeds from the sale of the bond
27 authorized to be issued and sold by this Ordinance shall be used
28 and applied for the purpose of financing in part the costs of
29 constructing public improvements consisting of a water supply
30 project on behalf of the citizens in the County in the community
31 known as Willoughby Beach which water supply project conforms
32 with and is included in the County's comprehensive water and
33 sewage plans pursuant to Section 9-511 of the Health-
34 Environmental Article (1982 Volume, 1984 Cumulative Supplement)
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2 of the Annotated Code of Maryland, as amended, and as more
3 particularly described in the plans and specifications on hand in
4 the office of the County's Department of Public Works, together
5 with related project costs, including but not limited to, engi-
6 neering fees and legal fees.

7 That the bond authorized to be issued and sold by this
8 Ordinance shall not be subject to the provisions of Article 31 of
9 the Annotated Code of Maryland (1983 Replacement Volume, 1984
10 Supplement) Section 10 entitled "Method of advertising and
11 offering for sale" and Section 11 entitled "Method and time of
12 maturing bonds."

13 SECTION 4. AND BE IT FURTHER ENACTED BY THE COUNTY COUNCIL
14 OF HARFORD COUNTY, MARYLAND, That, it is hereby determined that
15 the County shall borrow money and incur indebtedness in order to
16 finance the costs described in Section 2 hereof. To evidence
17 such borrowing and indebtedness and acting pursuant to the
18 authority of the Act, the County shall issue and sell, upon its
19 full faith and credit, its single, fully registered, general
20 obligation bond without coupons, in the principal amount of ONE
21 HUNDRED EIGHTY THOUSAND DOLLARS (\$180,000), said bond to be known
22 as "Harford County, Maryland General Obligation Bond (Willoughby
23 Beach Water Supply Project) 1985 Series A" (hereinafter referred
24 to as the "Bond"), the net proceeds from the sale of the Bond to
25 be used and applied as provided in Section 3 hereof.

26 SECTION 5. AND BE IT FURTHER ENACTED BY THE COUNTY COUNCIL
27 OF HARFORD COUNTY, MARYLAND, That, the Bond shall be issued and
28 sold on the full faith and credit of the County, shall be dated
29 as of the date of delivery (hereinafter sometimes referred to as
30 the "Closing Date") to the purchaser thereof, the United States
31 of America, acting through the Farmers Home Administration,
32 United States Department of Agriculture, shall be numbered R-1,
33 shall be in the denomination of ONE HUNDRED EIGHTY THOUSAND
34 DOLLARS (\$180,000) and shall bear interest from the Closing Date
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2 upon its unpaid principal balance, as advanced from time to time,
3 at the rate of ten and one-half percentum (10.5%) per annum.
4 Interest only on the unpaid principal balance of the Bond, as
5 advanced from time to time, shall be paid on the date which is
6 six (6) full months following the Closing Date. Commencing on
7 the date which is eighteen (18) months following the Closing
8 Date, the Bond shall be paid in twenty-nine (29) equal annual
9 installments of combined principal and interest in the amount of
10 TWENTY THOUSAND SEVEN DOLLARS (\$20,007), subject to prepayment as
11 hereinafter provided. If the total proceeds of the sale of the
12 Bond are not advanced on the Closing Date such proceeds shall be
13 advanced to the County as requested by the County and approved by
14 the FmHA and interest shall accrue on the amount of each advance
15 from the actual date of such advance. The payment of every
16 installment of debt service on the Bond shall be applied first to
17 interest accrued to the payment date and then to principal. In
18 the event the Closing Date occurs on the 29th, 30th or 31st day
19 of a month, the installment payment date shall be the 28th day of
20 the month.

21 SECTION 6. AND BE IT FURTHER ENACTED BY THE COUNTY COUNCIL
22 OF HARFORD COUNTY, MARYLAND, That so long as the Bond is
23 registered in the name of "United States of America, Farmers Home
24 Administration", principal of and interest on the Bond shall be
25 payable at the District Office, Farmers Home Administration,
26 United States Department of Agriculture, 151 Dixon Drive,
27 Chestertown, Maryland 21620, or at such other place as may be
28 designated from time to time by FmHA or its successor. If the
29 Bond should be properly transferred hereinafter provided to a
30 registered owner other than the United States of America or an
31 agency thereof, then in such event, payments of the principal of
32 and interest on the Bond shall be made at the office of the
33 Treasurer of the County (the "Treasurer").
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3 SECTION 7. AND BE IT FURTHER ENACTED BY THE COUNTY COUNCIL
4 OF HARFORD COUNTY, MARYLAND, That the Bond shall be executed in
5 the name of the County and on its behalf by the manual signature
6 of the County Executive of the County and the manual signature of
7 the Treasurer of the County and the corporate seal of the County
8 shall be imprinted thereon, attested by the manual signature of
9 the Director of Administration of the County. In the event any
10 official whose signature shall appear on the Bond shall cease to
11 be such official prior to the delivery of the Bond, or, in the
12 event any such official whose signature shall appear on the Bond
13 shall have become such after the date of issuance, the Bond shall
14 nonetheless be a valid and binding obligation of the County in
15 accordance with its terms. The County Executive of the County,
16 the Director of Administration of the County, and other officials
17 of the County are hereby authorized and empowered to do all such
18 acts and things and execute such documents and certificates
19 necessary to carry out and comply with the provisions of this
20 Ordinance, subject to the limitations set forth in the Act and
21 any limitations set forth in this Ordinance.

22 SECTION 8. AND BE IT FURTHER ENACTED BY THE COUNTY COUNCIL
23 OF HARFORD COUNTY, MARYLAND, That the Bond shall be registered as
24 to principal and interest in the name of "United States of
25 America, Farmers Home Administration" upon the registration books
26 kept for that purpose at the office of the Treasurer of the
27 County, and shall be transferable only upon said books by the
28 registered owner thereof in person or by his attorney with a
29 written instrument of transfer satisfactory to the Treasurer of
30 the County, duly executed by said registered owner or his duly
31 authorized attorney.

32 SECTION 9. AND BE IT FURTHER ENACTED BY THE COUNTY COUNCIL
33 OF HARFORD COUNTY, MARYLAND, That the installments of principal
34 of the Bond shall be subject to prepayment, at the option of the
35 County, as a whole or in part and, if prepaid in part, such

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2 prepayments shall be applied in the inverse chronological order
3 that such installments of principal become due; all such prepay-
4 ments shall include accrued interest to the date of prepayment,
5 but shall be without premium or penalty.

6 Provided further that the Bond shall be subject to mandatory
7 redemption, as a whole, on any date prior to its scheduled
8 maturity no later than 30 days after a petition, in the form
9 prescribed by law, shall be filed with the Board of Supervisors
10 of Elections of the County subjecting this Ordinance to a
11 referendum for its approval or rejection by the voters of the
12 County.

13 So long as the Bond is registered in the name of the United
14 States of America, Farmers Home Administration, or its successor,
15 notice of prepayment shall be sent by certified mail to the
16 District Office, Farmers Home Administration, United States
17 Department of Agriculture, 151 Dixon Drive, Chestertown, Maryland
18 21620, or such other place as it may have designated. Such
19 notice shall be mailed at least thirty (30) days prior to the
20 prepayment date and shall specify the installments of principal
21 to be prepaid, the prepayment price, the date and place fixed for
22 prepayment and that, from and after such date (which date, in the
23 event that the Bond is registered in the name of the United
24 States of America, Farmers Home Administration, or its successor,
25 shall be the date on which such prepayments are actually received
26 by FmHA), interest thereon shall cease to accrue. A similar
27 notice shall be mailed by the County, postage prepaid, at least
28 thirty (30) days prior to the prepayment date, to any other
29 registered owner of the Bond, at his last address appearing on
30 the registration books kept by the County.

31 On the date designated for prepayment, notice having been
32 given or waived, and monies for the payment of the prepayment
33 price plus accrued interest being held by the County or received
34 by FmHA, as the case may be, the installments of principal so
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3 called for prepayment shall become due and payable at the prepay-
4 ment price so provided, and from and after such date interest on
5 such installments of principal so called for prepayment shall
6 cease to accrue, and the registered owner of the Bond shall have
7 no rights in respect to the installments of principal so called
8 for prepayment except to receive payment of the prepayment price,
9 plus accrued interest thereon to the prepayment date.

10 In the event that FmHA assigns the Bond and insures the
11 payment thereof, while remaining the registered owner thereof,
12 authorized prepayments by the County may, at the option of FmHA,
13 be remitted by FmHA to its assignee promptly, or except for final
14 payment, be retained by FmHA and remitted to its assignee on
15 either a calendar quarter basis or an annual installment due date
16 basis. In such event, the effective date of every prepayment
17 made by the County except prepayments retained and remitted by
18 FmHA on an annual installment due date basis, shall be the date
19 of the United States Treasury check by which FmHA remits the
20 prepayment to its assignee. The effective date of any prepayment
21 retained and remitted by FmHA to its assignee on an annual
22 installment due date basis shall be the date of the receipt of
23 such prepayment by FmHA, and FmHA will pay the interest to which
24 its assignee is entitled accruing between the effective date of
25 any such prepayment and the date of the United States Treasury
26 check to its assignee.

27 SECTION 10. AND BE IT FURTHER ENACTED BY THE COUNTY COUNCIL
28 OF HARFORD COUNTY, MARYLAND, That in case the Bond shall become
29 mutilated or be destroyed, lost or stolen, the County may cause
30 to be executed and delivered a new bond of like date and tenor
31 and bearing the same or a different number, in exchange and
32 substitution for the mutilated, destroyed, lost or stolen Bond,
33 upon payment by the registered owner of the reasonable expenses
34 and charges of the County in connection therewith and, in the
35 case of a destroyed, lost or stolen Bond, upon the filing with

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2 the County by the registered owner of evidence satisfactory to it
3 that the Bond was destroyed, lost or stolen, and of his ownership
4 thereof, and furnishing the County with indemnity satisfactory to
5 it. Any bond issued in substitution for the Bond so mutilated,
6 destroyed, lost or stolen shall constitute an original
7 contractual obligation on the part of the County under this
8 Ordinance whether or not the Bond in exchange for which said new
9 bond is issued shall at any later date be presented for payment
10 and payment of the new bond shall be enforceable by the register-
11 ed owner thereof, and any such new bond shall be subject to the
12 provisions of this Ordinance in the manner and to the extent
13 provided herein. In case the Bond has matured, is about to
14 mature, or has been called for prepayment, and shall become
15 mutilated, destroyed, lost or stolen, the County may, instead of
16 issuing a substitute bond, pay said mutilated, destroyed, lost or
17 stolen Bond at its maturity or prepayment price, upon the County
18 being furnished satisfactory indemnity as aforesaid. Provided,
19 however, that the United States of America shall not be required
20 to furnish any indemnity as provided in this Section.

21 SECTION 11. AND BE IT FURTHER ENACTED BY THE COUNTY COUNCIL
22 OF HARFORD COUNTY, MARYLAND, That the Bond shall be sold
23 privately to the United States of America, acting through the
24 Farmers Home Administration, United States Department of Agricul-
25 ture, at par value. Sale and delivery of the Bond shall be at
26 such time and place as FmHA and the County may mutually deter-
27 mine. The County Executive of the County and the Director of
28 Administration of the County and other officials of the County,
29 in addition to any other authority and direction herein provided,
30 are hereby authorized and empowered to execute on behalf of the
31 County any documents required by FmHA in connection with such
32 sale, and to take any and all other actions necessary to complete
33 the sale and delivery of the Bond to FmHA, including without
34 limitation, making such changes or modifications in the form of
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2 bond adopted herein as may be necessary or appropriate to comply
3 with FmHA practices and policies from time to time. Except as
4 provided herein or in a resolution or resolutions of the County
5 adopted prior to issuance of the Bond, the Bond shall be issued
6 in substantially the following form, which form, and all of the
7 covenants contained therein, are hereby adopted by the County as
8 and for the form of obligation to be incurred by the County and
9 said covenants and conditions are hereby made binding upon the
10 County, including the promise to pay contained therein:
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(Form of Registered Bond)

\$180,000

No. R-1

UNITED STATES OF AMERICA
STATE OF MARYLAND
HARFORD COUNTY, MARYLAND
GENERAL OBLIGATION BOND
(WILLOUGHBY BEACH WATER SUPPLY PROJECT)
1985 SERIES A

FOR VALUE RECEIVED, the County, Maryland, a body politic and corporate and a political subdivision of, organized and existing under the Constitution and laws of the State of Maryland (the "County"), hereby acknowledges itself indebted, and promises to pay to the order of the UNITED STATES OF AMERICA, FARMERS HOME ADMINISTRATION ("FmHA") or its registered successors or assigns, the registered owner hereof, the principal sum of ONE HUNDRED EIGHTY THOUSAND DOLLARS (\$180,000), or so much thereof as may be advanced by FmHA as the proceeds of the sale hereof, and to pay interest from the date of this bond (the "Closing Date") on the unpaid balance of said principal amount, as advanced from time to time, at the rate of ten and one-half per centum (10.5%) per annum to the registered owner hereof until said principal amount has been paid in full (subject to prepayment as hereinafter provided). Interest only on the unpaid principal balance of this bond, as advanced from time to time, shall be paid on the date which is six (6) full months following the Closing Date. Commencing on the date which is eighteen (18) months following the Closing Date this bond shall be paid in twenty-nine (29) equal annual installments of combined principal and interest in the amount of TWENTY THOUSAND SEVEN DOLLARS (\$20,007) (subject to

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2 prepayment as hereinafter provided). If the total proceeds of
3 the sale of this bond are not advanced by EmHA on the Closing
4 Date, such proceeds shall be advanced to the County as requested
5 by the County and approved by EmHA and interest shall accrue on
6 the amount of each advance from the actual date of such advance
7 as shown hereon. The payment of every installment of debt
8 service hereon shall be applied first to interest accrued to the
9 payment date and then to principal.

10 All interest on this bond shall be calculated on the basis
11 of a 365-day year factor applied to actual days elapsed.

12 The principal hereof and the interest hereon, at the appli-
13 cable rate as set forth above, shall be paid in any coin or
14 currency of the United States of America which, shall at the time
15 of payment, be legal tender for the payment of public and private
16 debts, at the District Office, Farmers Home Administration,
17 United States Department of Agriculture, 151 Dixon Drive,
18 Chestertown, Maryland 21620, or at such other place as may from
19 time to time be designated by EmHA or its successor. In the
20 event that this bond is transferred as hereinafter provided to a
21 registered owner other than the United States of America or an
22 agency thereof, the principal of and interest on this bond will
23 be paid at the office of the Treasurer of the County (the
24 "Treasurer").

25 This bond is issued pursuant to and in full conformity with
26 the provisions of Section 5 of Article 25A of the Annotated Code
27 of Maryland (1981 Replacement Volume, 1984 Supplement) (the
28 "Act") and by virtue of due proceedings had and taken by the
29 County, particularly an ordinance adopted on June 11,, 1985
30 (the "Ordinance").

31 This bond is registered as to principal and interest upon
32 the books kept for that purpose in the office of the Treasurer of
33 the County and no transfer hereof shall be valid unless made at
34 said office by the registered owner hereof in person or by his
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2 attorney duly authorized in writing, upon surrender hereof,
3 together with a written instrument of transfer satisfactory to
4 the Treasurer of the County and duly executed by the registered
5 owner hereof or his duly authorized attorney.

6 The installments of principal of this bond shall be subject
7 to prepayment, at the option of the County, as a whole or in part
8 and, if prepaid in part, such prepayments shall be applied in the
9 inverse chronological order that such installments of principal
10 become due; all such prepayments shall include accrued interest
11 to the date of such prepayments, but shall be without premium or
12 penalty.

13 The amount of any partial prepayment and the date on which
14 the same is made, shall be noted by the registered owner on
15 Schedule A attached hereto and made a part hereof but the failure
16 to so note any such partial prepayment shall not affect the
17 validity of any such prepayment actually received by the holder
18 hereof.

19 Provided further that the bond shall be subject to mandatory
20 redemption, as a whole, on any date prior to its scheduled
21 maturity no later than 30 days after a petition, in the form
22 prescribed by law, shall be filed with the Board of Supervisors
23 of Elections of the County, Maryland subjecting the Ordinance to
24 a referendum for the approval or rejection by the voters of the
25 County, Maryland.

26 So long as the registered owner hereof is FmHA or its
27 successor, notice of prepayment shall be sent by certified mail
28 to the District Office, Farmers Home Administration, United
29 States Department of Agriculture, 151 Dixon Drive, Chestertown,
30 Maryland 21620, or such other address as FmHA, or its successor,
31 may have designated. Such notice shall be mailed at least thirty
32 (30) days prior to the prepayment date and shall specify the
33 installments of principal to be prepaid, the prepayment price,
34 the date and place fixed for prepayment, and that, from and after
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2 such date (which date, in the event that this Bond is registered
3 in the name of FmHA, or its successor, shall be the date on which
4 such prepayment is actually received by FmHA), interest thereon
5 shall cease to accrue. A similar notice shall be mailed by the
6 County, postage prepaid, at least thirty (30) days prior to the
7 prepayment date, to any other registered owner of this bond, at
8 his last address appearing on the registration books kept by the
9 County.

10 If, on the date designated for prepayment, notice has been
11 given as hereinabove provided or waived, and monies for the
12 payment of the prepayment price plus accrued interest are being
13 held by the County or have been received by FmHA, as the case may
14 be, the installments of principal so called for prepayment shall
15 become due and payable at the prepayment price so provided, and
16 from and after such date interest on such installments of princi-
17 pal so called for prepayment shall cease to accrue, and the
18 registered owner of the bond shall have no rights in respect of
19 this bond or such portion hereof so called for prepayment except
20 to receive payment of such prepayment price and unpaid interest
21 thereon to the prepayment date from such monies held by the
22 County.

23 In the event that FmHA assigns this bond and insures the
24 payment thereof, while remaining the registered owner hereof,
25 authorized prepayments by the County may, at the option of FmHA,
26 be remitted by FmHA to its assignee promptly, or except for final
27 payment, be retained by FmHA and remitted to its assignee on
28 either a calendar quarter basis or an annual installment due date
29 basis. In such event, the effective date of every prepayment
30 made by the County, except prepayments retained and remitted by
31 FmHA on an annual installment due date basis, shall be the date
32 of the United States Treasury check by which FmHA remits the
33 prepayment to its assignee. The effective date of any prepayment
34 retained and remitted by FmHA to its assignee on an annual
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3 installment due date basis shall be the date of the receipt of
4 such prepayment by FmHA, and FmHA will pay the interest to which
5 its assignee is entitled accruing between the effective date of
6 any such prepayment and the date of the United States Treasury
7 check to its assignee.

8 The full faith and credit and unlimited taxing power of the
9 County are hereby pledged to the prompt payment of the principal
10 of and interest on this bond according to its terms and the
11 County does hereby covenant and agree to pay the principal of
12 this bond and the interest thereon, at the dates and in the
13 manner mentioned herein, according to the true intent and meaning
14 thereof.

15 It is hereby certified and recited that all conditions, acts
16 and things required by the Constitution and statutes of the State
17 of Maryland, the Act and the Ordinance to exist, to have happened
18 or to have been performed precedent to or in connection with the
19 issuance of this bond, do exist, have happened and have been
20 performed, and that this bond, together with all other
21 indebtedness of the County, is within every debt and other limit
22 prescribed by said Constitution or statutes, and that due pro-
23 vision has been made for the levy and collection of an annual
24 assessment to be imposed on the customers of the water supply
25 project to be constructed, in part, with the proceeds of this
26 bond, in rate and amount sufficient to provide for the payment,
27 when due, of the principal of and interest on this bond.

28 No covenant or agreement contained in this bond shall be
29 deemed to be a covenant or agreement of any officer, agent or
30 employee of the County in his or her individual capacity, and
31 neither the members of the County Council of the County, nor any
32 official executing this bond shall be liable personally on this
33 bond or be subject to any personal liability or accountability by
34 reason of the issuance of this bond.
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3 IN WITNESS WHEREOF, the County has caused this bond to be
4 executed in its name and on its behalf by the manual signature of
5 the County Executive of the County and the manual signature of
6 the Treasurer of the County and has caused the corporate seal of
7 the County to be affixed hereto, attested by the manual signature
8 of the Director of Administration of the County, all as of the 18
9 day of June, 1985.

ATTEST:

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11 Georgia Hodsdon
12 Georgia Hodsdon
13 Director of
Administration

[SEAL]

HARFORD COUNTY, MARYLAND

By:

Hakern W. Freeman, Jr.
County Executive

James M. Jewell 6/18/85
James Jewell
Treasurer

RECORD OF ADVANCES OF PURCHASE PRICE

	<u>Amount</u>	<u>Date</u>	<u>Advanced by FmHA</u>	<u>Received by Harford County</u>
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6	(1) _____		By: _____	By: _____
7	(2) _____		By: _____	By: _____
8	(3) _____		By: _____	By: _____
9	(4) _____		By: _____	By: _____
10	(5) _____		By: _____	By: _____
11	(6) _____		By: _____	By: _____
12	(7) _____		By: _____	By: _____
13	(8) _____		By: _____	By: _____
14	(9) _____		By: _____	By: _____
15	(10) _____		By: _____	By: _____
16	(11) _____		By: _____	By: _____
17	(12) _____		By: _____	By: _____
18	(13) _____		By: _____	By: _____
19	(14) _____		By: _____	By: _____
20	(15) _____		By: _____	By: _____
21	(16) _____		By: _____	By: _____
22	(17) _____		By: _____	By: _____
23	(18) _____		By: _____	By: _____
24	(19) _____		By: _____	By: _____
25	(20) _____		By: _____	By: _____
26	(21) _____		By: _____	By: _____
27	(22) _____		By: _____	By: _____
28	(23) _____		By: _____	By: _____
29	(24) _____		By: _____	By: _____

SCHEDULE A

RECORD OF PARTIAL PREPAYMENTS

\$180,000

No. R-1

the County, Maryland
General Obligation Bond
(Willoughby Beach Water Supply Project)

1985 Series A

Dated: _____, 1985

Date

Amount of Prepayment
\$

1
2
3 SECTION 12. AND BE IT FURTHER ENACTED BY THE COUNTY COUNCIL
4 OF HARFORD COUNTY, MARYLAND, That, the County hereby specifically
5 covenants with FmHA to make level payments of interest and
6 principal installments on an annual or quarterly basis, if
7 requested by FmHA and subject to availability of funds with which
8 to pay debt service requirements on the Bond. If the foregoing
9 request is made by FmHA, the repayment schedule set forth herein
10 shall be automatically amended to comply with such request
11 without further action by the County, and the County Executive is
12 hereby expressly authorized and empowered to make such changes on
13 behalf of the County.

14 The proceeds of the sale of the Bond shall be paid directly
15 to the Treasurer of the County and shall be deposited in the
16 proper accounts of the County. There shall be deducted from the
17 gross proceeds received from the sale of the Bond the costs of
18 issuing the same, including legal fees and any other reasonably
19 related expenses. The balance of the proceeds of the sale of the
20 Bond shall be used by the County exclusively and solely for the
21 public purposes described in Section 3 hereof and, if applicable,
22 the payment of the principal of and interest on any notes hereto-
23 fore or hereafter issued by the County to evidence borrowing made
24 to meet progress payments on contracts let for the construction
25 of the facilities described in such Section 3. If the net
26 proceeds derived from the sale of the Bond shall exceed the
27 amount needed to finance the facilities and related costs herein-
28 before described, the excess proceeds shall be set apart in a
29 separate fund by the Treasurer of the County and applied to the
30 next principal installment of the Bond, provided, however, that
31 if the Bond is then registered in the name of the United States
32 of America, Farmers Home Administration, or its successor, such
33 excess proceeds shall be applied as soon as may be practicable to
34 the prepayment of principal installments of the Bond in the
35 inverse order of maturity, without premium or penalty.

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2
3 SECTION 13. AND BE IT FURTHER ENACTED BY THE COUNTY COUNCIL
4 OF HARFORD COUNTY, MARYLAND, That for the purpose of paying the
5 principal of and interest on the Bond, when due, the County shall
6 levy or cause to be levied in and for each and every fiscal year
7 during which the Bond may be outstanding, an assessment on the
8 customers of the water supply project to be constructed, in part,
9 with the proceeds of the Bond, at a rate and in an amount
10 sufficient to provide for the prompt payment of the principal of
11 and interest on the Bond maturing in each such fiscal year, and,
12 in the event the proceeds from the collection of the taxes so
13 levied in each such fiscal year shall prove inadequate for such
14 purpose, additional assessments shall be levied in the subsequent
15 fiscal year to make up any deficiency. The full faith and credit
16 and unlimited taxing power of the County are hereby irrevocably
17 pledged to the prompt payment of the maturing principal of and
18 interest on the Bond as and when the same respectively mature,
19 and to the levy and collection of the assessments hereinabove
20 described as and when such assessments may become necessary in
21 order to provide sufficient funds to meet the debt service
22 requirements of the Bond. The County hereby solemnly covenants
23 with the registered owner of the Bond to take any action that may
24 be appropriate from time to time during the period that the Bond
25 remains outstanding and unpaid to provide the funds necessary to
26 make the principal and interest payment due thereon. The County
27 hereby covenants and agrees with the registered owner of the Bond
28 to levy and collect the assessments hereinabove described in
29 order to produce sufficient revenues to provide for the debt
30 service requirements of the Bond.

31 SECTION 14. AND BE IT FURTHER ENACTED BY THE COUNTY COUNCIL
32 OF HARFORD COUNTY, MARYLAND, That the County hereby expressly
33 covenants with the registered owner of the Bond that neither it
34 nor any of its elected or appointed officers or officials shall
35 exercise any power hereunder, nor use or apply any of the

proceeds from the sale of the Bond in any way which would cause the Bond to be deemed an "industrial development bond" or "arbitrage bond" within the meaning of Section 103 of the Internal Revenue Code of 1954, as amended, or the Treasury Regulations promulgated thereunder.

SECTION 15. AND BE IT FURTHER ENACTED BY THE COUNTY COUNCIL OF HARFORD COUNTY, MARYLAND, That the provisions of this Ordinance are severable, and if any provision, sentence, clause, section or part hereof is held to be illegal, invalid or unconstitutional or inapplicable to any person or circumstances, such illegality, invalidity or unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, sentences, clauses, sections, or parts of this Ordinance or their application to other persons or circumstances. It is hereby declared to be the legislative intent that this Ordinance would have been passed if such illegal, invalid or unconstitutional provision, sentence, clause, section or part had not been included herein, and if the person or circumstances to which this Ordinance or any part hereof are inapplicable had been specifically exempted herefrom.

SECTION 16. AND BE IT FURTHER ENACTED BY THE COUNTY COUNCIL OF HARFORD COUNTY, MARYLAND, That, a state of emergency exists affecting both the County and the citizens of Willoughby Beach and this Ordinance is an emergency measure which shall take effect on the date of its approval by the County Council of the County.

True Copy Test:

Angela Markowski

EFFECTIVE: June 18, 1985

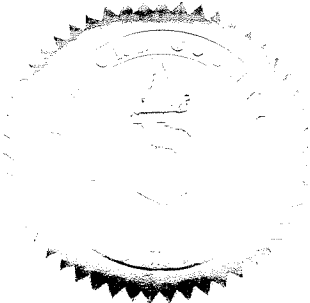
HC17-WORK.33
05:02:5/06/85
42004-061

C E R T I F I C A T E

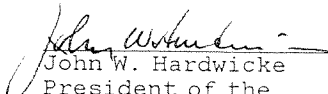
I, John W. Hardwicke, the duly elected and qualified President of the County Council of Harford County, Maryland, do hereby certify that attached hereto is a true and accurate copy of Bill No. 85- 24 duly adopted by the County Council of Harford County, Maryland, at a meeting called and held on June 11, 1985 at which a quorum was present, and that said Bill No. 85- 24 is now in full force and effect.

I DO HEREBY FURTHER CERTIFY that a true and accurate copy of Bill No. 85- 24 was posted on an official bulletin board in a public place and that additional copies thereof were made available to the public and to the press.

IN WITNESS WHEREOF, I have hereunto affixed my signature and the seal of Harford County, Maryland, on this 11th day of June, 1985.



(SEAL)


John W. Hardwicke
President of the
County Council of Harford County
Maryland

85-24

BY THE COUNCIL

BILL NO. 85-24

Read the third time.

Passed LSD 35-17 (June 11, 1985)

Failed of Passage _____

By order

Angela M. Markowski, Secretary

Sealed with the County Seal and presented to the County Executive
for his approval this 12th day of June, 1985
at 3:00 o'clock P.M.

Angela M. Markowski, Secretary

BY THE EXECUTIVE

APPROVED:

[Signature]
County Executive

Date 6-15-85

BY THE COUNCIL

This Bill (No. 85-24), having been approved by the Executive
and returned to the Council, becomes law on June 18, 1985.

Angela M. Markowski, Secretary

EFFECTIVE DATE: June 18, 1985

85-24